

CATSKILL HI-LINE

Bi-Monthly Newsletter

Volume 71—Issue 3 May/June 2015

Powering Our Rural Communities

2015 Nominating Committee Meets

On March 19, 2015, the first official Nominating Committee meeting of the year was held at the DCEC office. This independent committee meets to recruit potential candidates for the upcoming director's election during the Annual Member Meeting in September. This year the Northern region and Southern region are up for election.

> *Northern Region* Gilboa, Jefferson, Summit, Davenport, Harpersfield, Stamford, and Maryland

- Southern Region -

Andes, Colchester, Masonville, Middletown, Sidney, Tompkins, Walton, and Bainbridge

Each interested nominee has to be a full-time member of the Cooperative and reside within the region(s) up for election. In addition each party is required to submit the following information to the Nominating Committee;

- Letter presenting your credentials and qualifications
- Explain why you are interested in serving on the DCEC Board of Director
- Include any other information that you feel may be relevant in applying for the candidacy

To review director policies or details about becoming one please visit <u>www.dce.coop</u> or call (607) 746-2341.

Are You Interested in Being on DCEC's Fixed Budget

Members interested in being on DCEC's fixed budget plan need to contact the office by the end of June in order to be enrolled. Members can also elect to be on a variable budget plan, which you can sign up for at any time throughout the year as long as you have 12 consecutive months of usage. For more information on the budget plans please contact the DCEC office.

Capital Credit Allocation

Cooperative members are owners of their electric cooperative, not just customers. Members gain ownership shares in their cooperative through a process called "capital credit allocation." This month DCEC is allocating \$658,000 in ownership equity to all members who paid electric bills to the Cooperative during

DCEC Announces New Employee

DCEC has recently hired a permanent employee to join the Tree Crew following the retirement of Donald Buel in January. Micah Scobie is the new Line Clearance Arborist.



Scobie is from the DeLancey area and graduated from Delaware Academy in 2012. After High School Scobie attended SUNY Delhi where he earned an Associate's Degree in Integrated Energy Systems in 2014.

Scobie has worked part-time for DCEC on both the Summer Spray Crew and on the Tree Crew since

2012 following his High School Graduation. Micah is excited to be part of the DCEC team and is looking forward to a long lasting career with DCEC.

Simpson Selected as DCEC's 2015 Legislative Youth Delegate

Each year an eleventh grade son or daughter of a DCEC active member has the opportunity to apply to be the DCEC's Legislative Youth Delegate. The selected Youth Delegate

receives an all-expense paid trip to Washington, D.C. While in D.C. the Youth Delegate will be joined by 900 other rural electric co-ops in meetings with Congressional Leaders on Capitol Hill.

Serena Simpson, a junior at Walton Central High-School, was selected to represent DCEC in Washington, D.C. at the 2015 Legislative Conference. Ms. Simpson was selected based on



her academics, involvement with multiple extra-curricular activities, letters of recommendation from her teachers/ advisors, and her dedication to her community.

2014. You should see a note about your own capital credit allocation on your next electric bill. The amount of member equity created in 2014, which was \$658,000, is the amount of money collected through member electric bills that exceeded the cost to run the Cooperative during 2014.

...Continued on Page 3

PAGE 2

Innovative Dairy Farm

Your Cooperative was formed approximately 70 years ago with the primary purpose of serving dairy farmers. June is National Dairy Month and DCEC would like to give special recognition to one of the most innovative

dairy farms in Delaware County today. The farm is owned and operated by Larry, John, and Jacob Burgin and is located in Fraser, outside of Delhi. The farm has a two unit robotic milking system that accommodates about 120 Holstein cows. A 3D camera remotely reads a computerized collar which is used to identify each cow. More than one cow can be self-milked at the same time. The cows are identified and then enter into the milking stall. After entering the milking stall each cow is prepped for milking by an electronic arm which swings beneath the udders. The cows that are classified as early lactation will be self-milked

DCEC Promotes Schafer & Schmidt





David Schmidt

DCEC employee, Michael Schafer has been promoted to 1st Class Lineman. Schafer started working at the Cooperative on 06/05/2006 on the Tree Crew as a Laborer. DCEC employee, David Schmidt has been promoted to 1st Class Lineman 2nd Grade. Schmidt started working at the Cooperative on 07/04/2001 on the Tree Crew as a Saw Operator 2.

up to six times a day. The late lactation cows are only self-milked once or twice daily. The key to the success of the entire system is the grain that is fed into it. The cows continue to come back for the treat. The Burgin

> Farm has been using the this innovative system since March 19, of 2014 and has saved an enormous amount of money on labor. The focus of the Burgin Farm is now on overall cow health, and feeding.

They also have a robot that periodically unplugs itself electrically and pushes the feed back into the manger and then reconnects itself for the next tour of duty. This operation is extremely impressive and a far cry from the hand milking that was done in the early 40's when the Cooperative started.

Generlink Transfer Switches available for purchase at our office



Plugs into 200 amp Meter Socket 20 ft Cord to Connect to Generator Built in Surge Protector Accommodates 10,000 watt Generator

DCEC

39 Elm St. | Delhi, NY 13753

For More Information or to Confirm Compatibility Contact DCEC at (607) 746-2341.

Can You Dig It?

New York State law requires you to place a location request with Dig Safely New York if you are planning to dig for any reason. General assumptions about where utility lines are buried can be wrong and result in significant damages including; injuries, repair costs, fines, and outages.

DCEC urges you to contact Dig Safely New York by simply dialing 811 or 1-

Third Party Notifications

Every member has the right to designate a third party to be notified if the member's bill is not paid and if the member's service becomes subject to disconnection for nonpayment. For example, a parent can designate an adult child as the third party to receive notifications. Third par-

800-962-7962 before starting any digging project. Customer Service Representatives (CSRs) are available 24/7, 365 days a year. Dig Safely New York's location request services are free. You can also visit, DigSafelyNewYork.com for more information.

Additionally, you may want to contact the DCEC office if you are unsure if

you have an underground service. Please be safe while completing your outdoor projects. Remember there is no project too large or too small for Dig Safely New York.



ty notifications can be very helpful in situations where health troubles or other factors might make it difficult for the member to stay on top of bill payments. For more information about third party notifications, please contact the office at 607-746-2341.



Payment Arrangements and Member Services

The Cooperative has developed procedures to comply with Part 459 of the New York Power Authority's Rules and Regulations. Members are billed between the 17th and 20th of each month for service during the previous billing cycle. Payments for this service are due upon receipt and become subject to late penalties on the 12th day of the following month. Payments not received by the 12th will accrue late charges of 1.5% per month or \$5.00 per month, whichever is greater. Each member who is assessed a late charge on the 13th may receive a FRIEND-LY REMINDER NOTICE by means of an automated phone call and message on their bill, giving members a chance to make payments prior to sending out mandatory certified letters announcing the date of disconnection. The cost of this mailing is charged directly to the affected member's account.

In the event of a hardship, DCEC will make payment arrangements for members who are unable to pay their bills

Formulary Rate Adjustment

All members recently saw an increase in the "Formulary Rate Adj" line on their monthly electric bills. Some members have asked about the Formulary Rate Adjustment and how it is different from the Power Cost Adjustment. <u>The Power Cost Adjustment (PCA)</u> changes every month to reflect the changes in <u>wholesale electricity costs</u> paid by the Cooperative that same month. The PCA is commonly a charge to members in the winter and a credit to customers in the summer. This happens because the Cooperative's wholesale power costs tend to be higher in the winter months.

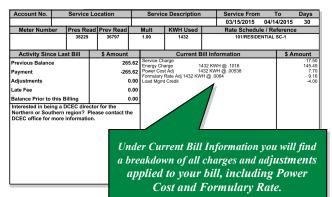
The <u>Formulary Rate Adjustment</u> is a way for the Cooperative to adjust revenues up or down to cover the <u>fixed</u> <u>costs</u> of running the business. Fixed costs include debt service, salaries, and benefits. Although these fixed costs are quite predictable, our revenues are not predictable. Revenues are heavily influenced by weather. Since we cannot predict the weather for the whole year in advance, we also cannot predict our revenues with great accuracy. The Formulary Rate Adjustment, which is evaluated every 6 months, allows the Cooperative to adjust revenues in in accordance with DCEC's regular payment terms. The Cooperative makes several attempts to reach out to members subject to disconnect through e-mails and phone calls. Payment arrangements should be made before a serviceman arrives to disconnect a meter for nonpayment as this will add an additional \$100 .00 trip fee to the past due charges.

Should a member fail to honor the mutually agreed-upon payment schedule, the member's service may be disconnected without prior notice. DCEC is not obligated to negotiate additional partial-payment plans with members who currently are delinquent under a previous partialpayment plan.

Late payment of bills results in additional charges: a minimum \$5.00 monthly late fee and \$5.00 certified mailing fees over a 12 month period equate to paying an extra electric bill annually.

order to meet year-end revenue requirements despite unpredictable weather, unpredictable energy sales, and unpredictable revenues.

The board will re-evaluate the Formulary Rate Adjustment again later this year. The next time the formulary rate adjustment changes on your monthly bill will be in October of 2015.



Capital Credit Allocations...Continued from Page 1

In most businesses that would be considered a profit and it would be distributed to shareholders. Remember shareholders of a for-profit company are not the customers. However, in cooperatives, our members are also our owners. Therefore, we do not distribute our margin to a distant set of shareholders, we retain it as member equity in the Cooperative. Member equity in the Cooperative is essential to maintain good financial health. For example, if we did not have sufficient member equity in the Cooperative, then banks would not loan us money to invest in things like substations, poles, and wires.

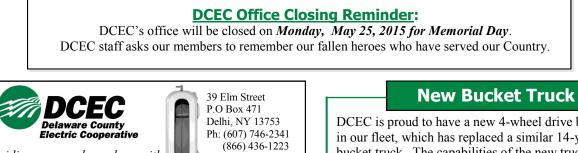
Member equity is returned to members approximately 25 years after it is allocated through a process of equity rotation. This past year we returned approximately \$291,000 in member equity to those members who received capital credit allocations in 1990. The process of developing and rotating member equity in the Cooperative is an essential function of every cooperative. Thank you for being a member-owner and not just a customer.



Planned Interruption of Electric on Delhi and Jefferson Substations

In order to do some critical maintenance on our Delhi Substation transformer, we will be interrupting power to all member accounts served by that substation for two hours on July 16th from 3:00 pm to 5:00 pm, with an inclement weather alternative date of July 17th with the same interruption times. Your Cooperative will endeavor to keep the outage times to a minimum. Around the first of July all members affected by this outage will be mailed an individual outage reminder notice.

In order to perform some essential maintenance and replacement of switches at our Jefferson substation your Cooperative will need to take a 4 hour outage on June 23rd from noon to 4:00 pm. An inclement weather date will be for the same hours but on June 24th. Affected members will be notified individually prior to the outage. We will endeavor to keep the outage as short as possible.



Providing our rural members with:

✗ Low-cost Electricity ✗ High System Reliability

✗ Community/Member Service Warranted for LIFE Please call for availability



Marathon WATER HEATERS

Operations Update

Cooperative line crews will be rebuilding 3.34 miles of a single phase electric line on County Route 16 in the Town of Delhi. About 50% of the poles will be changed out and the conductor completely replaced. For the safety of our linemen, members from the intersection of West Platner Brook Road to West Delhi may experience short duration outages.

Cooperative Right-of-Way clearing crews will be working on NY State Route 28, Town of Delhi and County Route 10, Dickman Road, Honest Brook Road, Dunham Road and Hollister Hill Road in the Town of Meredith. Members affected will be notified individually prior to the work being done. Asplundh Tree Company will be doing right-of-way clearing work for us again this year and will be starting around the middle of May. They will be clearing right-of-way starting at our Andes Substation on NY State Route 28, then to Herrick Road, Upper & Lower Little Dingle Hill Road, Felton Road, Perch Lake Road, to the Pepacton Reservoir. Mid July they will be right-of-way clearing on Brower Hill Road, Deerlick Road, Barkaboom Road, Beech Hill Road, Mary Smith Road, Berry Brook Road in the Town of Andes and Holiday Brook Road in the Town of Colchester. Affected members will receive additional notification prior to the work.

Is Your Location Number in This Issue?

Your service location number begins with two letters and is located on your bill next to your account number. Keep your eyes peeled for the "hidden location number" in this newsletter! If you find the number, and it is your service location you will receive a DCEC fleece sweatshirt! Good luck!



DCEC is proud to have a new 4-wheel drive bucket truck in our fleet, which has replaced a similar 14-year old bucket truck. The capabilities of the new truck make it



extremely useful in storm response as well as line construction activities. DCEC stretches the value of our members' dollars by extending vehicle life through regular inspection and maintenance programs. This new vehicle should provide service to our members for many years.

CATSKILL HI-LINE is a Publication of the Delaware County Electric Cooperative, Inc. and is published bi-monthly for the membership.

The information contained herein is designed to promote action and discussion among members. Statements published do not necessarily reflect the official position of the Cooperative. The information has been obtained from sources believed to be reliable, and the editor has exercised reasonable care to assure its accuracy.

Board of Directors

President	Stephen Oles
Vice President	Hartley Russell
Secretary	Paul Menke
Treasurer	
Director	Rusty Pick
Director	Shawn Hartwell
Director	Meg Hungerford
CEO/General Manager	Mark Schneider
Asst. General Manager	Wayne Marshfield

Phone: 607-746-2341 Toll Free: 866-436-1223 Fax: 607-746-7548 Email: office@dce.coop Web Site: www.dce.coop

> Delaware County Electric Co-op., Inc. 39 Elm St., PO Box 471 Delhi, New York 13753-0471